



April 18, 2011

The Honorable Phil Roe
U.S. House of Representatives
419 Cannon House Office Building
Washington, DC 20515

Dear Representative Roe:

On behalf of the National Alliance on Mental Illness (NAMI), I am writing to express our support for the Medicare Decisions Accountability Act (HR 452). NAMI is the nation's largest organization representing children and adults living with serious mental illnesses. Through education, support and advocacy, NAMI and its over 1,100 state and local organizations work to meet the needs of people living with mental illness and their families.

As an organization that advocates on behalf of Medicare beneficiaries living with serious mental illnesses such as schizophrenia, bipolar disorder and major depression, NAMI is extremely concerned about the structure and authority granted the Independent Payment Advisory Board (IPAB) in the Affordable Care Act. As you know, the new law also includes efforts to rein in long-term health care spending through payment system reforms such as accountable care organizations (ACOs), payment bundling and efforts to better coordinate care for vulnerable individuals that are dually eligible for both Medicare and Medicaid. NAMI supports these efforts to place health care spending on a sustainable path going forward.

Unfortunately, the new law also creates the IPAB that will seek to control costs in a way that is likely to unfairly target cuts in the Medicare program with little accountability. As noted above, NAMI supports the need to control growth in health care spending. However, these efforts to control spending growth need to simultaneously promote quality and protect the most vulnerable. As currently structured, the IPAB fails both of these important goals.

Among NAMI's concerns with the IPAB as currently set forth in the new law are:

- 1) It will be comprised of an unelected, unaccountable board that will be subject to little public and stakeholder input and will operate outside of congressional oversight – nothing in the new law requires the IPAB to hold meetings in public or seek input from groups such as NAMI that directly represent Medicare beneficiaries.
- 2) While the large volume of cuts it will be forced to make will be driven by the overall growth of the Medicare spending, it will be required to impose all of these cuts on a small portion of the program – for example, the Part D drug benefit that is critical for the most vulnerable Medicare beneficiaries living with chronic conditions will likely have to face reductions set by the overall growth in the much larger portions of Medicare that finance hospital and physician services.

- 3) Protections designed to shield beneficiary cost sharing and scope of benefits from cuts proposed by the IPAB are not legally binding and there is little Congress or beneficiaries can do to stop enforcement of the IPAB's recommendations when they are put in place.

NAMI is especially concerned that mental health benefits in Medicare are at risk in the process that the IPAB is compelled to follow. For example, in 2008 Congress (through the Medicare Improvements for Patients and providers Act) enacted changes in beneficiary cost sharing for outpatient mental health services under Part B. Starting in 2011, and phasing in through 2015, outpatient mental health cost sharing will be gradually lowered from 50%, down to 20%. As currently structured, the IPAB could stop this transition and keep outpatient cost sharing at its higher level.

Prescription drug coverage under Medicare Part D would be especially vulnerable under the current structure of the IPAB. For example, current rules require Medicare drug plans to include on the preferred drug lists (also known as formularies) "all or substantially all" of the medications in certain therapeutic categories, including antipsychotics and antidepressants commonly prescribed to treat mental illness. As currently structured, the IPAB could wipe out this protection with no recourse available for vulnerable beneficiaries.

NAMI supports HR 452 as a necessary step in reining in the authority of the IPAB. We are grateful for your leadership in bringing this bipartisan legislation forward. It is critical for Congress to press for changes to the current structure for the IPAB to ensure fairness and accountability. The easiest and most effective way to do this is to stop the IPAB before it ever goes into effect. It should be replaced with creative solutions to long-term growth in overall health care spending that promote disease management, integration of care and protections to ensure that any reductions in future spending in Medicare are equitably shared across the entire program.

Thank you for your leadership in ensuring greater accountability, transparency and fairness as we move forward to reform our health care system. NAMI looks forward to working with you to ensure both long-term stability of the Medicare program and protection of the most vulnerable beneficiaries – including those living with serious mental illness.

Sincerely,



Michael J. Fitzpatrick, MSW
Executive Director

cc: Linda Flanagan, NAMI Johnson City
Connie Whaley, NAMI Sevier County
Jack Stewart, Executive Director, NAMI Tennessee